A stock exchange can suspend trading of scrips of a company for any violation of the listing agreement, suspected price manipulation in scrips, directions from regulatory authorities including SEBI and suspension of scrips by other stock exchanges. The listing agreement, *inter alia*, contains requirements relating to dissemination of information to the market and corporate governance. If the company concerned does not comply with these requirements, investment decisions taken by investors may not be adequately informed. However, suspension of trading can affect existing investors adversely since it may not leave an exit route. Therefore, whenever suspension is to be effected, prior intimation is given to the market. As a result, potential investors are warned while the existing investors have advance intimation. The suspension is revoked when the company complies with the requirements of listing.

Loopholes in Anti-defection Law

*709. SHRI GHULAM NABI AZAD: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government agree that there are some loopholes in the anti-defection law;

(b) if so, whether any measures are being taken to rectify the same; and

(c) if so, the details thereof?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI RAM JETHMALANI): (a) to (c) Yes, Sir. The Government is aware of shortcomings in the Anti-defection Law. Proposals relating to amendment of the law were accordingly included in the agenda for the meeting of political parties held on the 22nd May, 1998 but the discussion on the issue was deferred. In case, a consensus emerges amongst political parties on amendments to be made in the law, the Government would consider to bringing a Bill for giving effect to the proposals.

World Water Forum Conference

*710. SHRI K. KALAVENKATA RAO:
SHRI YADLAPATI VENKAT RAO:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Godavari Water issue was discussed at the Hague meet of the World Water Forum Conference which was held from 16th to 23rd March; and